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By email and first-class mail

June 13, 2016

Jeff S. Jordan
Assistant General Counsel
Complaints Examination & Legal Administration
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: MUR 7050
UNITE HERE TIP Campaign Committee

Dear Mr. Jordan:

I am writing on behalf of respondent UNITE HERE TIP Campaign Committee ("the Committee") in response to the complaint filed by Chris Smola. Mr. Smola apparently asserts that the Committee has violated the Federal Election Campaign Act ("FECA" or "the Act") by failing to reimburse him for all of his payroll-deducted contributions to the Committee that occurred prior to his cessation of the deduction nearly three and one half years ago, in February 2013. For the following reasons, the Commission should find no reason to believe that the Committee has violated the Act in this matter.

Mr. Smola's complaint letter does not address whether or not he ever authorized this payroll deduction. His appended documentation indicates that he has previously asserted that he did not. Such an assertion would be necessary in order for him to state a claim for a violation and for a remedy in the form of a refund of contributions or otherwise. However, any such assertion is simply incorrect: in fact, Mr. Smola *did* sign an authorization (for \$1.00 per month). See attachment to Declaration of Xio Dan Li ("Decl."). This authorization names the "Hotel Employees and Restaurant Employees International Union TIP - 'To Insure Progress'" ("HERE TIP") as the recipient committee. That committee (as later renamed "UNITE HERE TIP - To Insure Progress") merged with the Committee in 2006, following the merger between the respective connected labor organizations, the Hotel Employees and Restaurant Employees International Union and UNITE. Mr. Smola's authorization remained in effect and was honored by Mr. Smola's employer, Chicago Signature Service ("CSS"), his union, UNITE HERE and UNITE HERE Local 1 ("Local 1"), and the Committee, until Mr. Smola terminated it in 2013 (which termination was, as Mr. Smola states, honored immediately). See Decl. ¶ 5.

Although Mr. Smola's authorization form is not dated, on the basis of Local 1's business records and practices, Mr. Smola would have signed it shortly before CSS began to make the authorized deductions. See Decl. ¶ 4. The enclosed copy of the form, and this sworn evidence about the Committee's payroll deduction authorization practices at UNITE HERE Local 1, provide sufficient evidence to prove that Mr. Smola authorized all of the deductions about which he now complains. See FEC, "Statement of Policy: Recordkeeping Requirements for Payroll Deduction Authorizations," 71 Fed. Reg. 38513 (July 7, 2006).

The existence and maintenance of this authorization until Mr. Smola's revocation of it suffices to warrant the Commission's declination to find reason to believe that the Committee has violated the Act. We add only that Mr. Smola's sole identification of an allegedly violated provision of the Act – 52 U.S.C. § 30124(b), "Fraudulent Solicitation of Funds" – would not be relevant to this matter even if Mr. Smola had not authorized the contributions.

Accordingly, the Committee respectfully requests that the Commission find no reason to believe that the Committee has violated the Act, and dismiss this matter. Alternatively, the Committee requests that the Commission exercise its prosecutorial discretion to dismiss this matter in light of the small amount of contributions involved (apparently less than \$60), the fact that most of the contributions occurred before the applicable 5-year statute of limitations, and the Commission resources that would be necessary to pursue this matter.

Thank you for your consideration.

Yours truly,



Laurence E. Gold

Counsel for Respondent
UNITE HERE TIP Campaign Committee

cc: UNITE HERE TIP Campaign Committee

BEFORE THE FEDERAL ELECTION COMMISSION

MATTER UNDER REVIEW 7050

DECLARATION OF Xiao Dan Li

1. I am the Treasurer of UNITE HERE Local 1, whose offices are in Chicago IL. In that capacity my responsibilities entail familiarity with Local 1's business records and practices.
2. Attached, from Local 1's business records, is a true copy of the payroll deduction authorization form that Chris Smola signed and provided.
3. This form authorizes payroll deductions to "Hotel Employees and Restaurant Employees International Union TIP - To Insure Progress," a federal political committee that merged (as renamed UNITE HERE TIP - To Insure Progress") with the current UNITE HERE TIP Campaign Committee in 2006.
4. Although Mr. Smola's form is undated, on the basis of Local 1's usual business practices Mr. Smola signed and provided the form signed shortly before his employer, Chicago Signature Services (CSS), began to honor it in 2008. (Local 1 occasionally still used authorization forms bearing the predecessor names of the committee until new forms were reprinted.)
5. Mr. Smola's authorization form remained in effect and was honored by CSS from 2008 until Mr. Smola revoked his authorization in 2013.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct. Executed on June 10, 2016.



Xiao Dan Li

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17044412037

I hereby authorize the Employer to deduct from my pay the sum of \$1.00 per month and to forward that amount to the Hotel Employees and Restaurant Employees International Union TIP—"To Insure Progress." This authorization is signed voluntarily and with the understanding that the Hotel Employees and Restaurant Employees International Union TIP—"To Insure Progress" will use this money to make political contributions and expenditures in connection with Federal elections. I am aware of my right to refuse to sign this authorization without reprisal. This authorization may be revoked by mailing notices of revocation, by United States Registered Mail or, Certified Mail, Return Receipt Requested, to the Treasurer and to the Employer.

(POR FAVOR, NO DINERO PARA INMIGRANTES ILICITALES)

Name Chris Smola

Address _____

City Chicago IL State Zip 60613

Telephone _____

Employer Chicago Signature Service (New Plan)

Signature _____